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ELECTRONICS & INFORMATION TECHNOLOGY DEPARTMENT

RESOLUTION

The 9th September, 2025

Odisha Information Technology (IT) Policy – 2025

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1. State of IT Industry in India

Introduction

The Indian IT industry has undergone significant transformation, becoming a cornerstone of the global technology landscape. With its robust growth trajectory and a diverse range of services, it stands as a vital player in the economy.

Indian IT sector

NASSCOM estimates that India's technology industry is estimated to grow 8.4% in FY23 – from US$226 billion in FY22 to US$245 billion in FY23. As of FY23, India's technology industry is estimated to employ over 5.4 million talent pool with net addition of 290,000 hires across the technology industry workforce in FY22. Digital revenue is estimated to be at US$73-77 billion and accounts for 32-34% share of the total industry revenue at 16% annual growth.

India's technology industry exports, at US$194 billion are expected to grow at 11.4% whereas domestic technology sector is expected to reach US$51 billion, growing at 4.9% YoY supported by continued investments by enterprise and the government. India's domestic technology adoption is driven by cloud adoption and deals focusing on digital transformations in existing and niche verticals. Government, with its various innovative initiatives, act as enabler by building public platforms, digital public infrastructure and other projects promoting 'Digital India'.

Fuelled by the escalating demand for digital transformation and technology adoption across various sectors, the growth of the Indian IT industry is led by the following key drivers:

- **Digital Transformation**: Businesses are increasingly investing in digital technologies to enhance operational efficiency, improve customer experiences, and drive innovation.
- **Cloud Adoption**: The migration to cloud computing is accelerating, with organizations seeking better scalability and cost efficiency.
- **Artificial Intelligence and Automation**: The integration of AI, machine learning, and automation technologies is reshaping service delivery and opening new business avenues.
- **Remote Work Trends**: The COVID-19 pandemic has resulted in a lasting shift towards remote work, increasing the demand for IT services that facilitate remote collaboration and security.
- **Startup Ecosystem**: The growth of startups in sectors like fintech, healthtech, and edtech is spurring innovation and increasing the demand for IT services.

- **Government Initiatives**: Initiatives such as Digital India and Make in India are promoting investment in technology infrastructure and supporting the growth of the IT sector.

Outlook

The Indian IT industry is expected to maintain its growth momentum, driven by widespread technology adoption across various industries, particularly in healthcare, education, and finance. Key trends shaping the future include:

- **Digitalization:** Digitalization in Odisha offers immense potential to boost economic growth, improve the quality of life for citizens, and foster a more inclusive and sustainable development model. With strategic investments in infrastructure, education, healthcare, and governance, Odisha can fully harness the power of digital technology to propel itself into the future.
- **Cybersecurity**: As digital operations expand, the focus on cybersecurity solutions will intensify to protect data and infrastructure.
- **Skill Development**: There is an urgent need for upskilling and reskilling the workforce to meet the demands of emerging technologies. It is crucial for empowering the state's youth, improving employability, and driving economic growth.
- **Sustainability**: Companies are increasingly prioritizing sustainable practices and solutions, aligning with global trends toward environmental responsibility. Focusing on green industries like renewable energy, eco-tourism, and sustainable fisheries can diversify Odisha's economy while creating long-term, environmentally friendly employment opportunities.

2. State of IT Industry in Odisha

With a population exceeding **45 million**, Odisha has made significant strides in various sectors, including **agriculture, manufacturing, and tourism**. In recent years, the state has emerged as an attractive destination for **Information Technology (IT)** and **Information Technology Enabled Services (ITES)**, driven by a strategic focus on economic diversification and job creation. The **Government of Odisha** has prioritized the development of the IT sector, implementing initiatives aimed at fostering **innovation** and **entrepreneurship** to capitalize on the region's potential.

Substantial investments in **infrastructure** have led to the establishment of **technology parks**, such as **Infocity** and **Infovalley** in Bhubaneswar, which are equipped with modern

facilities and amenities to support IT companies. This includes **high-speed internet connectivity, data centers, and co-working spaces**. Furthermore, initiatives have been taken to create a conducive environment for IT investments by offering incentives such as **tax breaks, subsidies**, and support for **research and development**.

Odisha boasts a growing pool of **skilled professionals**, thanks to several reputable educational institutions that emphasize **technical education** and **IT training**, ensuring a steady supply of talent to meet the demands of the industry. As a result, the IT ecosystem in Odisha is flourishing, with an increasing number of national and international companies establishing operations and a surge in startups specializing in sectors such as **fintech, healthtech**, and **e-commerce**.

The strategic location of Odisha, combined with its developing infrastructure and favourable business environment, has attracted significant investments from major IT firms, particularly in areas like **e-governance**, which aims to digitize public services and improve citizen engagement, and **healthcare technology**, where the demand for digital solutions is rapidly growing. Moreover, the state's commitment to promoting **research and development** in emerging technologies, such as **artificial intelligence, machine learning**, and **blockchain**, positions it well to become a hub for tech innovation. Overall, Odisha is positioning itself as a **key player** in the Indian IT landscape, poised for continued growth and innovation, with the potential to become a leading destination for technology and entrepreneurship in the country.

IT Infrastructure in Odisha

Odisha has made significant strides in developing its IT infrastructure to support the growing technology sector. Key components include:

- **Technology Parks**: Technology parks in Odisha, such as Infocity, Infovalley, and STPI, are vital to the state's growing IT infrastructure. Infocity, located in Bhubaneswar, offers world-class facilities for IT and IT-enabled services, while Infovalley provides modern infrastructure for both startups and larger businesses on the city's outskirts. The 6 STPI sub-centres in Odisha which form part of the national network, supports the IT sector with technical support, infrastructure, and business incubation. These parks not only foster innovation and attract investments but also contribute to skill development and job creation, positioning Odisha as a key player in India's IT industry.
- **Internet Connectivity**: The state has enhanced its internet connectivity with robust broadband services, facilitating high-speed access for businesses and residents.

Initiatives to expand fiber optic networks are underway, improving access in rural and semi-urban areas.

- **Skill Development Centers**: Several institutions and training centers focus on enhancing the technical skills of the workforce, ensuring a steady supply of talent for the IT industry. Programs aimed at upskilling professionals in emerging technologies are being implemented to meet industry demands.

Telecom Infrastructure in Odisha

The telecom infrastructure in Odisha has seen substantial investment, supporting both urban and rural connectivity:

- **Mobile Network Coverage**: Major telecom operators have established extensive mobile network coverage across the state, ensuring connectivity in remote areas. The availability of 5G services has improved communication and access to digital services.
- **Fiber Optic Networks**: The rollout of fiber optic networks is enhancing broadband connectivity, providing high-speed internet access to businesses and households. The state's focus on expanding these networks is crucial for supporting IT and digital services.
- **Government Initiatives**: The government has undertaken initiatives to improve digital infrastructure, such as the BharatNet project, which aims to connect rural areas with high- speed internet, thereby facilitating e-governance and digital literacy.

Power Infrastructure in Odisha

A stable power supply is essential for the growth of the IT and telecom sectors. Odisha has made considerable investments in power infrastructure:

- **Generation Capacity**: The state has a diverse energy mix, including thermal, hydro, and renewable energy sources. Major power plants, such as the NTPC Talcher Super Thermal Power Station, contribute significantly to the state’s electricity generation.
- **Renewable Energy Initiatives**: Odisha is actively promoting renewable energy sources, particularly wind and solar power, to meet the increasing demand for electricity while ensuring sustainability.
- **Distribution Network**: Odisha's power distribution network is managed by GRIDCO and its privatized subsidiaries (TPCODL, TPNODL, TPWODL, TPSODL). The privatization of these distribution companies has improved efficiency and service quality. The network delivers electricity across urban and rural areas, with upgrades like smart grids and rural electrification.

Transport Infrastructure in Odisha

Transport infrastructure is vital for facilitating the movement of goods and people, supporting economic growth in the state:

- **Road Network**: Odisha has an extensive road network, including national and state highways, that connects major cities and rural areas. The government is investing in road development projects to improve connectivity and reduce travel times.
- **Rail Connectivity**: The state has a well-developed railway network that connects it to various parts of India. Key railway stations serve as important junctions, facilitating the movement of goods and passengers. Projects to enhance rail infrastructure and increase freight capacity are underway.
- **Airports**: Odisha's key airports provide essential connectivity across the region. Biju Patnaik International Airport in Bhubaneswar is the primary airport in the state, offering domestic and international flights. Madhusmita Airport in Jharsuguda, Veer Surendra Sai Airport in Sambalpur, and Rourkela Airport serve regional routes, while Utkela Airstrip in Kalahandi supports the southern part of the state. These airports support vital passenger and cargo movement with plans for further expansions to enhance connectivity and airport facilities to boost tourism and business travel.
- **Ports**: Odisha has a significant coastline along the Bay of Bengal, with major ports like Paradip and Dhamra facilitating maritime trade. The development of port infrastructure is crucial for enhancing trade logistics and supporting the state's economy.

3. IT Initiatives in Governance in Odisha

Odisha has made significant strides in leveraging Information Technology to enhance governance, improve public service delivery, and promote transparency. Some notable recent initiatives include:

- ***Student Academic Management System (SAMS)***

Launched in 2009, SAMS is an integrated portal which provides a common platform for admission into various courses across the State through e-Admission and also several e- Services to students at institution level through e-Administration.

- ***OdishaOne***

OdishaOne is a comprehensive and transformative effort by the state Government to better integrate G2C services and improve quality of service delivery with enriched citizen experience. The portal is a front-end interface for all e-Governance Applications of various Departments. It is envisaged to integrate more than 200 Government-to-Citizen (G2C) services in OdishaOne portal.

- ***i3MS***

Odisha is endowed with about one third of the estimated national mineral resources. To streamline the mining operations including tracking of end to end mineral transaction, in 2010 Odisha started implementing a comprehensive Information Technology based e-Governance initiative by the Department of Steel & Mines. The system has been designed to automate all processes as per the Central Acts and State Rules, it also shares data in real time with Ports, Railways, Commercial Tax, Income tax, Treasury &Surface transport database etc. Also, the system facilitates multiple departments to play their respective part in updating valuable information that helps in curbing down any illegality/irregularity.

- ***SUBHADRA Scheme***

"SUBHADRA" is a flagship scheme by the Women and Child Development Department, Government of Odisha aimed at empowering women through financial support, enhanced digital literacy, and access to social safety nets. The scheme provides direct benefits and incentivizes digital transactions, focusing on improving the socio-economic conditions of women and their families.

- ***Odisha Statewide Area Network (OSWAN)***

OSWAN is a robust digital communication network established to connect various government offices across the state. This initiative enables seamless communication and data sharing among government departments, improving the efficiency of governance and service delivery.

- ***Sustainable Urban Services in a Jiffy by Odisha Government (SUJOG)***

The Housing and Urban Development Department has launched Sustainable Urban Services in a Jiffy by Odisha Government (SUJOG) with the objective of introducing e-governance service across all the 114 ULBs of the state. The programme incorporates a State-wide Service Delivery Infrastructure, supported by a chain of Citizen Service Centers (CSCs) and by utilizing advanced ICT tools.

- ***Grievance Redressal Mechanism (Janasunani)***

The government has implemented a digital grievance redressal system to address citizen complaints and issues related to public services. Citizens can lodge complaints online, and the system ensures timely responses and resolutions, thereby enhancing the overall effectiveness of governance.

- ***Social Protection Delivery Platform (SPDP)***

As a part of building an integrated beneficiary database, SPDP has been conceptualised as a comprehensive system designed to create a Unified Social Registry

Information System by integrating data from various government departments into a single, organized framework. It aims to ensure faster, fairer, and more accurate delivery of benefits, significantly improving the lives of vulnerable populations. SPDP improves the efficiency of public service expenditure by eliminating duplication, inclusion, and exclusion errors, detecting fraud, and standardizing data structures for seamless integration across schemes.

- ***Computer Emergency Response Team-Odisha (CERT-O)***

Computer Emergency Response Team-Odisha (CERT-Odisha or CERT-O) in line with CERT India (CERT-IN) will act as the nodal agency to cater to crisis situations in Cyber Security matters to promote a secured and thriving ecosystem for Odisha.

- ***Cyber Security Operation Centre (C-SOC)***

Cyber Security Operation Centre (C-SOC) has been established in the state for obtaining strategic information regarding incidents, threats towards Odisha State IT/ICT infrastructure for creating incident response, crisis management through effective predictive, preventive, protective, response and recovery actions and support to protect resilience of State IT/ICT and other critical infrastructures.

- ***Intellectual Property safeguard***

A robust monitoring framework will be established to address issues related to IP theft and fraudulent companies, fostering a secure and trustworthy environment that supports Odisha's vision to become a global IT destination.

4. Vision

The policy aligns with Odisha's visions for 2036 and 2047, paving the way for the state to become a powerhouse in the IT and electronics sectors. This strategic roadmap aims to drive economic growth while contributing to India's digital future. By emphasizing sustainable development, technological innovation, and digital inclusion, Odisha’s E&IT Department is positioning the state to meet evolving global demands and foster a knowledge-driven economy. With a clear and structured approach, the policy strengthens the IT ecosystem in a phased manner, encompassing BPM & IT services, consulting, and Tech/SaaS.

5. Objective

The key objectives of the policy are:

a. Creation of direct and indirect employment opportunities for 1 million people in the IT/ITeS sector.
b. To act as a catalyst in the development and growth of the IT/ITeS ecosystem in the state

c. Create an investor friendly business environment for IT/ITeS companies to establish and expand their operations in Odisha
d. To encourage large scale investments IT/ITeS sector through provisions for large projects
e. To enable the creation of high-skilled IT human resource in the state
f. Position Odisha as an R&D hub in the field of IT/ITeS

6. Mission

a. Attracting new investments by creating world class infrastructure and promoting investor facilitation.
b. Supporting existing investments in the State in this sector.
c. Promoting Tier-II & III cities and towns as IT destinations and aiding in setting up required infrastructure including IT parks for enabling them to attract IT investments and thereby enhancing employment opportunities.
d. Launching digital literacy programs and skill development centres to upskill the workforce in emerging technologies like AI, machine learning, cybersecurity, robotics, and blockchain, thus adding to a future-ready job-force.
e. Generate employment opportunities through IT investments in the state.
f. Ensuring a digitally connected Odisha for spurring growth in demand for digital services by promoting creation of requisite digital infrastructure.
g. Promoting the innovation ecosystem in the State along with the promotion of emerging Technologies such as such as Cyber Security, Data Analytics, Mobile Tech/5G, IoT, Augmented Reality & Virtual Reality, Cloud computing, Deep learning, Blockchain, Artificial Intelligence, Machine Learning, etc. R&D activities, design and development of new products, services, processes and business models in Industry 4.0 etc.
h. Incentivize adoption of green technologies for energy efficient operations with effective disposal of e-waste coupled and use of renewable sources of energy in the State to develop a Greener-Odisha.
i. Facilitate more women, ST/SC and differently abled persons to participate in the IT sector by bringing in suitable policy interventions and fiscal incentives.
j. Facilitate the digital transformation of public services by harnessing advanced technologies to promote transparency, efficiency, and accessibility. Through robust e-governance initiatives, empower citizens and enable inclusive governance across Odisha.

k. To promote centres of excellence/ skill development centres for creating a highly skilled talent pool in the latest technology and future skills like AI, machine learning, cybersecurity, robotics, cloud computing, IoT, data science, and blockchain, etc., to fulfil the demands of the industries.

xx. Odisha's strong infrastructure, world-class educational institutions, research centres, and robust IT sector provide a solid foundation for AI integration across key areas such as healthcare, education, agriculture, disaster management, and governance. By leveraging AI to drive innovation and efficiency in these domains, the state is paving the way for a smarter, more resilient, and technologically advanced future.

7. Investment Facilitation Mechanism

The Government of Odisha has developed an online Single Window portal, GO SWIFT i.e. Government of Odisha – Single Window for Investor Facilitation and Tracking, to transform the B2G interface through the entire investment lifecycle. GO SWIFT is a key business reform undertaken by the state government with the objective to provide all requisite information/clearances to investors in a hassle-free and paper-less manner. The portal is a “Onestop Solution” for information on clearances required; land banks available; application, payment, tracking & approval of G2B services; risk-based synchronized inspection by regulatory agencies; incentive administration; post land allotment services; grievance redressal; and dovetailing CSR activities with the developmental goals of the State. Odisha Incentive Management System (OIMS) will be integrated with Go Swift for the information related to Units to reduce redundancy.

There shall be a 3-tier Single Window Clearance mechanism for approval of IT/ITeS projects as enumerated below:

i. Investments up to INR 50 crore - Special Single window Clearance Committee (SSWCC) under the chairmanship of Secretary, Electronics & IT, Govt. of Odisha.

ii. Investments above INR 50 crore and up to INR 1,000 crore – State Level Single Window Clearance Authority (SLSWCA) members as constituted under the Odisha Industries Facilitation Act, (OIFA) 2004, under the chairmanship of Chief Secretary, Govt. of Odisha.

iii. Investment above INR 1,000 crore - High Level Clearance Authority (HLCA) headed by the Chief Minister with members as constituted under the Odisha Industries Facilitation Act, (OIFA) 2004.

Odisha Computer Application Centre (OCAC) will provide secretarial assistance to the SSWCC. The SLSWCA shall have the power to direct concerned departments or

authorities to issue required clearances within the specified time limit, subject to compliance of the provisions of the applicable Acts and rules or orders and instructions in force.

The SSWCC or SLSWCA shall carry out the following functions:

i. Issue approvals of projects as required under the appropriate rules as and when necessary.
ii. Issue deemed approvals as provided in OIFA as and when necessary.
iii. Review and monitor the processing of applications cleared earlier and sent to Competent Authorities
iv. SSWCC shall approve the disbursement of incentives for all projects approved under the Single Window mechanism. The committee will also oversee the implementation of policy, monitor project progress, and address stakeholder grievances.

The above guidelines related to the Investment Facilitation Mechanism have been drawn from the Industrial Policy Resolution (IPR) 2022 of Odisha.

8. Eligibility for Incentives

The incentives and offerings mentioned in this policy apply to all eligible IT units. These are in addition to any incentives that they may be entitled to avail from the Government of India.

Eligible Units are defined as under:

'Eligible Unit' means any new unit having a minimum of 10 employees on its payroll or an existing unit having undergone expansion and having a minimum of 15 employees on its payroll after expansion or a unit undertaking expansion.

- *New Unit:*
  - A new unit means an IT/ITeS unit that has obtained registration under the Companies Act/ LLP Act/ Partnership/ Proprietorship and is setting up or commenced its commercial operations in Odisha during the policy period.
  - An existing unit outside Odisha state carrying out new investment in the IT/ITeS industry at any location in Odisha and commencing commercial operation during the operative period of the Policy shall be considered as a new unit.
  - An existing unit within Odisha state carrying out new investment in the IT/ITeS industry in another district of Odisha will be considered a new unit.

- *Existing Unit:*

Any IT/ITeS unit which has been registered under the Companies Act/LLP Act/Partnership/Proprietorship and already running its operations within the state.

- *Expansion f Unit:*
  - Expansion of unit means an existing unit in Odisha undertaking expansion such that the total headcount of employees on its payroll, increases by 10 per cent in any last 3 consecutive years from the date of its gazette notification or by 500 employees, whichever is lower, till the end of IT policy 2025.
  - Such unit(s) shall be applicable for one time approval during the Policy period to avail all incentive covered under the policy.
  - For the purpose of expansion, only the employees engaged in payroll of the unit shall be considered.
- ***Migrated Units from Odisha IT Policy 2022***
  - A new IT/ITeS unit, which has been setup during the operative period of Odisha IT Policy 2022 or approved under Odisha IT Policy 2022, but has not availed any incentive under Odisha IT Policy 2022 shall be considered as migrated to the current policy and shall be eligible for incentives under this policy
  - However, if IT/ITeS unit has been setup, but not obtained approval of the Special Single Window Clearance Committee (SSWCC) or State Level Single Window Clearance Authority (SLSWCA) or High-Level Clearance Authority (HLCA), as applicable, the unit shall have to first obtain approval through the Single Window Mechanism via Go-Swift.

Further details and modalities for availing benefits for new unit, existing unit and expansion of unit shall be outlined in the Operational Guidelines to provide more clarity.

9. Commencement and Eligibility

The Odisha IT Policy 2025 shall come into force from the date of its gazette notification. This policy will supersede Odisha IT Policy 2022.

Odisha IT Policy 2025 will remain in force for a period of 5 years from its date of gazette notification or till it is substituted by another policy. The State Government may at any time amend any and/or all provision(s) of this policy.

Any IT/ITeS unit that is established and commences commercial operations in Odisha after the notification of the Odisha IT Policy 2025, as well as IT/ITeS units set up and operationalized after the IT Policy 2022 but did not avail of any incentives, shall be eligible for assistance or incentives under this policy.

Existing units that expanded during this period without availing benefits under the IT Policy 2022, will also be covered under this policy, subject to meeting the conditions specified in Clause 8 of the policy. Detailed eligibility criteria and modalities for availing these benefits will be outlined in the Operational Guidelines.

Units cannot avail incentives under more than one sectoral policy of Government of Odisha. However,

i. Units which have been approved under IT Policy 2022 will remain eligible to avail incentives as per IT Policy 2025. Eligible units who have not availed incentives during the previous policy period may claim incentives in retrospect under this policy.
ii. Odisha registered IT startups which commence commercial operations post notification of IT Policy 2025 can avail incentives under the policy provided the same incentives are not availed under Odisha Startup Policy.
iii. Units covered under IT Policy 2022 shall continue to avail the admissible incentives of the same policy as per eligibility and for the time-period for which those units are eligible.
iv. If a unit has availed similar incentive under any other scheme of the state government or the Government of India or any government agency or financial institution, it shall be eligible for the differential amount of benefit only under this policy.
v. A unit shall only be eligible to apply for incentives within the time limit as prescribed in the operational guidelines of the IT Policy 2025 for the different category of incentives.

Doubts relating to interpretation of any term and/or dispute relating to the operation of any provision under this policy will have to be referred to the E&IT Department, Government of Odisha for clarification/resolution and the decision of the Government in this regard will be final and binding on all concerned.

Execution of various provisions covering the incentives, concessions etc. will be subject to the issue of detailed operational guidelines/ statutory notifications, wherever necessary in respect of each item by the concerned Department.

Eligibility of IT units to avail specific incentives would be spelt out in detail in the operational guidelines to the Policy, which shall be approved by the Government and notified separately.

10. Incentives

1. Land

- *Rate for allotment of land:*
    - For IT/ITeS Units, Government land will be allotted at prevailing rates notified by Government, as applicable for industrial units.

- For IT Towers, Government land will be allotted / converted at the notified benchmark rate in BDA/ CDA area. However, for non-BDA and non-CDA area, the land will be allotted / converted at the IDCO notified rate for social infrastructure.
- For IT Parks, Government land will be allotted through auction, specifically for the purpose.

- Allotment of land to IT Units will be based on project assessments.
- *Minimum land areas:*
  - IT Towers shall have minimum built-up area of at least 50,000 sq. ft. and can be developed on land parcels up to 5 acres.
  - IT Parks shall be developed on a land area of more than 5 acres.
- For IT Units and Towers, the Government shall extend 100% exemption of stamp duty on lease/ sale agreement of land or built-up space allotted by Government/ IDCO/ designated development authorities.
- The eligible units will be entitled to get 100% reimbursement of conversion fee and registration fee. The same shall also be applicable for the eligible companies for developing IT Parks/ IT Towers in the State.
- IT units meeting the following criteria shall be considered for allotment of Land:

The unit must have been in continuous commercial operation for a minimum period of three (3) years preceding the date of application. This criteria shall be relaxed to one (1) year for IT Units established by Women, SC/ST and specially abled entrepreneurs.

For BDA and CDA area, the minimum area allotted to IT Units shall be 0.5 acre, provided that the entity can demonstrate employment of minimum 200 employees. IT Units shall be entitled to additional 0.5 Acre of land on each additional 100 employee demonstrated.

For non-BDA and non CDA area, the minimum area allotted to IT Units shall be 0.5 acre, provided that the entity can demonstrate employment of minimum 100 employees. IT Units shall be entitled to additional 0.5 Acre of land on each additional 100 employee demonstrated.

- For Centres of Excellence (CoEs), R&D units, and product-based companies where the resource requirement is lower compared to conventional IT service companies, land shall be allocated based on the recommendation of OCAC, considering merit and on a case-to-case basis.

2. Capital Investment Subsidy

A. IT/ITeS Units

- 30% of the Fixed Capital Investment (FCI), excluding cost of land, will be reimbursed to IT/ITeS units.
- For IT/ITeS Units being established in non-BDA and CDA areas, an additional 10% of the FCI will be reimbursed.

B. AVGC Units

- 40% of the Fixed Capital Investment (FCI), excluding cost of land, will be reimbursed to Animation, Visual Effects, Gaming, and Comics (AVGC) units.

C. Development of Co-Working Space

To augment the availability of Co-working spaces in the State, Government will incentivize development of Co-working spaces by Developers/ Aggregators. Both built-up spaces and dedicated buildings/ towers shall be incentivized. The Capital Investment Subsidy available under this clause is outlined below:

FCI Category	**Eligibility Criteria**	**Type**	**Capital Investment Subsidy**	**Maximum Limit**
FCI >= INR 2 Cr	Developers/ Aggregators	Leased space	Reimbursement of 25% of FCI	Up to INR 5 Cr

D. IT Towers

- 30% of the Fixed Capital Investment (FCI), excluding cost of land, will be reimbursed for IT Towers.
- For IT Towers, a minimum of 70% of the built-up area should be allocated to IT/ITeS units and maximum of 30% of built-up area shall be allowed for support infrastructure services which will include public utility services, cafeteria, food zones, restaurants, recreational centres.
- For IT Towers being established in non-BDA and non- CDA areas, an additional 10% of the FCI shall be reimbursed.

E. IT Parks

- 30% of the Fixed Capital Investment (FCI), excluding cost of land, will be reimbursed to IT Parks.

3. Specific Incentives for IT Parks

Considering the growing demand of space from IT industry for starting operations from the State, the State Government will facilitate and encourage private initiatives to

setup IT parks in strategic locations of Odisha. The following incentives will be provided to IT Parks over and above other incentives stated in the IT Policy:

a. The Government shall extend 100% exemption of stamp duty on first transaction and 100% exemption on subsequent transaction on lease / sale agreement of land or built-up space allotted by Government/ IDCO/ designated development authorities to eligible IT units or to other agencies for developing of IT Parks.
b. Minimum area to be created for processing and non-processing zone: The Processing zone which will be dedicated for core IT activities shall be minimum 70% of the super built-up area / space. The balance area can be developed as non-processing zone.
c. Of the minimum 70% built-up area dedicated to the Processing zone, 10% shall be earmarked as furnished space for allocation as Plug and Play incubation/Managed Office Space and co-working space to start-ups and innovation centres.
d. The processing zone would consist of only IT/ ITES/ESDM/R&D units such as IT companies, GCCs, Tech Startups, BPOs / KPOs, ESDM Companies etc. The non-processing zone can include support facilities, public utility services, Hostels, Serviced Apartments, Guest houses, Commercial areas, Cafeteria, Food zones, Educational Institutions, Healthcare Facilities, Restaurants, Recreational Centres, Sport Centres, Hotels and open spaces. Residential units cannot be created or sold within the non-processing zone.

4. Rental Subsidy

Sl. No.	Incentive Category	Eligibility Criteria	Incentive Detail
1	**Co-working Space / Incubation Space**	Units with minimum 10 employees	Reimbursement of 50% of per seat cost per month for a period of 3 years up to INR 3,000 per employee
2	**Lease Rental**	Units with minimum 20 employees	IT units taking up rental space in buildings with a minimum built-up area of 50,000 sq. ft. shall be eligible for rental reimbursement of up to INR 2,000 per employee per month for a period of five years, based on either the actual number of employees or the number derived from the leased area, calculated at a minimum of 30 sq. ft. per employee - whichever is lower. Units taking up rental spaces Government-designated facilities shall be eligible for reimbursement of monthly rent at INR 20 per sq. ft., excluding operations and maintenance costs. The reimbursement shall be limited to a maximum of 30 sq. ft. per allotted seat per employee.

5. Power Incentive

a) Eligible IT units/ Towers/ Parks shall be provided 100% exemption/ reimbursement from payment of Electricity Duty for 5 years from the date of commencement of commercial operations in the state.

b) Power Tariff of INR 2.00 per unit shall be reimbursed for power purchased and consumed from local DISCOMs for 5 years from the date of commencement of commercial operations in the state. IT units shall be eligible for Power at Industrial tariff.

c) 100% exemption of cross subsidy surcharge and additional surcharges and state transmission charges on renewable energy procured from state based renewable energy plants /GRIDCO for 5 years from the date of procurement of renewable energy for commercial operations in the state.

6. SGST Reimbursement

Eligible IT units/ Towers/ Parks shall be eligible for reimbursement of 100% of net SGST paid, overall limited to 200% of the cost of plant and machinery, excluding cost of land, provided that the SGST reimbursement shall be applicable only to the net tax paid towards the state component of GST, after full adjustment of available and eligible input tax credit against the output tax liabilities. The definition of “plant and machinery” shall be outlined in the operational guideline.

7. Interest Subsidy

- Eligible IT units/Towers/Parks will be entitled to get interest subsidy @5% per annum on long term loans availed from recognized financial institutions and banks, subject to a maximum of INR 10 Crores per year for 5 years from the date of commencement of commercial operation.
- The Government shall encourage women, SC/ST & Disabled entrepreneurs by providing them additional interest subsidy of 1% per annum over and above the instant incentive.

8. Recruitment Assistance

- One time recruitment assistance of INR 25,000 per newly recruited employee at executive positions on company payroll (Outsourcing staff, Facility management staff etc. shall not be considered for availing recruitment assistance), limited to a total of INR 50 lakhs per unit for 5 years from the date of commencement of commercial operations in Odisha.
- This incentive is applicable only to Odisha domicile employees deployed in Odisha-located units.

9. Skilling and Development

i. Human Capital Upskilling Subsidy

50% reimbursement of training fees for obtaining industry recognized skill certifications in Emerging technologies limited to INR 50,000 per employee, subject to an overall ceiling of INR 20 lakhs per unit for 5 years.

ii. Internship Subsidy

- Units availing any assistance under this policy will be encouraged to hire interns on the basis of the following criteria:

a. Each unit must take annually a minimum of 2 interns or 2.5% of the unit's total employee strength, whichever is greater but limited to 100 interns per year.

b. The interns need to be trained for a period of six months for which the reimbursement would be provided.

c. The reimbursement is for a maximum of 100 interns per unit per year.

- Units can get a reimbursement of 50% of the stipend paid for each intern limited to INR 7,500 per intern per month
- Eligible units can however get full reimbursement of stipend paid for each intern, limited to INR 12,000 provided such interns are selected/ sponsored through SDTE/ OSDA limited to maximum 20 interns per year.
- Incentives shall be extended only to students who are domicile of Odisha or those who are pursuing graduate-level or higher education from institutions located within the State of Odisha.
- This mechanism of hiring interns is to be treated independently of the Scheme of Apprenticeship by Government of India and shall be treated separate to this Policy.

iii. Skill Development Initiative

- The Skill Development & Technical Education (SDTE) department shall come up with necessary incentive provisions for the establishment of high-end training institutes imparting training in emerging technologies in demand by the IT/ITeS industry within the state of Odisha.

10. Marketing Incentive

- Reimbursement would be provided as per norms indicated below for participating in designated state/national/ international exhibitions and approved trade delegations. These incentives are also available to recognized Industry Associations. Companies can avail this incentive

maximum 3 times for 5 years post the commencement of commercial operations in the State:

- **For events held within India** - 50% reimbursement of expenses capped at INR 1.5 lakhs per event
- **For events held outside India** - 50% reimbursement of expenses capped at INR 5 lakhs per event

For Associations/ Industry bodies – Capped at INR 20 Lakhs per event participation for international events. This can be availed maximum of 3 times by an Industry Association within the policy period. Odisha-based units to be given preference to participate in the event.

Companies can claim marketing incentives either directly or from association/ industry bodies.

11. Patent Registration Incentives

100% of actual filing costs on awarded patents - Maximum INR 5 lakhs for domestic patents and INR 10 lakhs for international patents.

12. Reimbursement of PF/ESI contribution

Eligible units shall be granted 100% reimbursement of the employer's contribution towards ESI and EPF for 5 years for skilled, semi-skilled & highly skilled workers who are domicile of the state. All the procedures related to ESI and EPF applications and reimbursement shall be done via online mode through EPFO system.

13. Research and Development Incentive

IT/ITeS units, academic institutions, R&D organizations, and reputed technical and scientific institutions shall be eligible for reimbursement of up to 50% of the investments made towards research and development (R&D) in the IT/ ITeS Sector, subject to a maximum of INR 10 crore per unit/ institution. IT/ITeS units must submit a brief note detailing the technical and commercial justification for R&D activities undertaken in the project, which shall be subject to approval of the nodal agency.

14. Support for development of a Cable Landing Station

- Capital Investment Subsidy of 25% of the eligible Fixed Capital Investment (FCI), subject to a maximum limit of INR 20 crores.
- Investment made on civil works for constructing the building of CLS along with network hardware (excluding expenditure towards cable laying and network cables) shall be admissible.

- All other incentives applicable to IT units shall also be extended to the operators of the neutral cable landing station as well as to all the service providers who will be utilizing the facility.
- In case if any Service Provider/ Hyper-scaler is interested to invest in submarine cable system, the Govt. shall provide the viability gap funding. The amount of funding shall be decided by State government on case-to-case basis.

15. Specific Incentives for Large & Mega IT Investments

- In order to attract Developers of national and international repute and large and mega IT Investments of more than INR 250 Crores and/ or to create large employment opportunities of more than 2,000 people, a special package of incentives and concessions may be extended on a case-to-case basis.
- Such decisions shall be made by High-Level Committee under the Chairmanship of the Chief Secretary, taking into account the benefits to the State.
- The Cabinet shall approve such proposals duly recommended by the High-Level Committee.
- These benefits shall be available to both new units as well as existing large units undertaking expansion within the State.

16. Incentives for Center of Excellence (CoE)

- **To promote CoEs in engineering colleges, educational institutes, other recognised organisations and state/central promoted agencies in Odisha:**

The CoE shall focus areas on areas like Artificial Intelligence(AI), Cyber Security, Extended Reality(XR),AR,VR, Automation, Blockchain, Big Data, Cloud Computing, Internet of Things (IoT), Machine Learning(ML), Clean-tech, Edu-tech, Agri-tech, Health-tech, Defence-tech, Space-tech and other areas of social or national importance.

- **Stamp Duty/Registration/Conversion Charges:** 100% exemption of Stamp Duty/registration/conversion charges.
- **Capital Investment subsidy:** The State Government may invest up to 50% of the Fixed Capital Investment (FCI) in CoE projects depending on the specifics of the project or reimburse 50% of FCI, as applicable.
- Other incentives applicable to IT units shall also be extended to CoEs.
- If a new product is successfully developed and accepted, then the state government can procure the same based on the recommendation of High-Level Committee, without going through tender process. This assistance is available to solutions/products developed in Government partnered CoEs.

17. Innovation/ Acceleration Fund

The State will support companies/ matured Deep-Tech Start-ups in IT & related sectors and provide assistance through the Startup Policy of the State.

18. Incentives on AI Compute

The state government will provide incentives for startups, enterprises, academia, and educational institutions that utilize AI Compute, Network, Storage, AI Platforms, and Cloud Services offered by agencies empanelled under the IndiaAI initiative. These incentives aim to accelerate the adoption of cutting-edge AI infrastructure, drive digital transformation, and foster the development of innovative AI-driven solutions across various sectors within the state. The incentives will be extended to the following categories:

- End users (except MSME) as per categories under India AI mission utilizing compute from an India AI Mission-empaneled vendor and availing incentives under the mission will receive additional 40% reimbursement of the cost incurred for compute usage from government of Odisha.
- As per the India AI mission, MSMEs utilizing compute services will be eligible for additional reimbursement of up to 40% of the total cost.
- Under the India AI mission, early-stage startups utilizing compute services will be eligible for an additional 10% reimbursement of the total compute usage, further supporting innovation and AI adoption.
- The AI Cell, established under the supervision of the E&IT Department/OCAC, will be responsible for evaluating and verifying proposals seeking additional state incentives. This assessment will focus on the technological feasibility, scalability, and potential economic and social impact of the proposed AI solutions. Incentives will be granted only to entities that align with the state's AI policy.

11. Public Procurement & Procurement of IT Software & Services by Government

- Odisha Government has made a mandate of spending 1% of Budget by every department towards IT implementation. E&IT Department will plan and assist other departments in finding technology-driven solutions related to individual department’s activities. It will work with other Government departments to identify and recommend the most appropriate technology, solution for them to improve the efficiency of the department, increase the output or can contribute to better delivery of citizen services.

- To promote the local small IT companies & ecosystem, award of Project cost up to INR 5 Crore shall be awarded to only SME/ MSME units operating from the State provided a high-level committee certifies that such solution providers are present in Odisha.
- Government, while awarding projects of more than INR 5 Crores, would stipulate mandatory local participation & collaborative arrangement (minimum 25% for deployment and maintenance components) for implementation with local enterprises with experience and know- how.

12. Governance Mechanism

- The High-Level committee, constituted under the Chairmanship of the Chief Secretary, Government of Odisha, to consider a special package of incentives for mega projects shall also be responsible for condonation of delay of all projects as well as addressing matters referred to it by the State Single Window Clearance Committee (SSWCC).
- A “Policy Advocacy & Vision Group (PAVG)” will be established to serve as a think tank and key advisory body on a wide range of policy-related matters. Comprising intellectuals, professionals, and practitioners from diverse domains such as academia, research, and industry, the PAVG will play a pivotal role in facilitating the effective and timely implementation of the IT Policy. It will also ensure that the policy's objectives are fully realized. PAVG must include at least two experts from local industries.
- The Odisha Computer Applications Centre (OCAC) will be the Nodal Agency responsible for the implementation and monitoring of various activities under this Policy on behalf of the Electronics & Information Technology Department. The Investment Promotion and Information Technology Promotion (IP&ITP) Cell at OCAC will serve as both the Project Implementation Unit (PIU) and the Project Management Unit (PMU) for the implementation of the Odisha IT Policy and utilize the IT Promotion Fund allocated by the E&IT department for the purpose of implementing and supporting IT promotion initiatives. Electronics & Information Technology Department will create a separate entity for development of the sector, attract investments, implement the policy, ensure talent development and create necessary infrastructure for the sector, in the state of Odisha, within the current financial year.

- The Electronics & Information Technology Department will periodically review the implementation of the policy for facilitation and mid-course correction where required with approval from Government.
- Doubts relating to interpretation of any term and/or dispute relating to the operation of any provision under this policy shall be referred to the E&IT Department for clarification / resolution. The decision of Government in this regard shall be final and binding on all concerned.

Annexure

1. Exemption from State Pollution Control Act

IT units that are currently exempted from the purview of Acts/ Rules/ Orders/ Notification as administered by Odisha State Pollution Control Board (OSPCB) will continue to do so. New units would also enjoy such exemption.

However, the units availing the benefits of the policy should also comply with the E-Waste Management 2022 Rules & its amendments as outlined by OSPCB.

2. Self-certification allowed under various Acts

IT units shall be waived off from the routine inspection by Labour Department and shall be allowed for electronic filing of all legal returns/ forms etc. Government shall allow self- certification of the records/ registers maintained by IT companies as far as possible under the following laws in consonance with the objectives of these Acts, barring inspections arising out of specific complaints:

- The Factories Act 1948
- Shops & Commercial Establishments Act
- The Payment of Wages Act, 1936
- The Minimum Wages Act 1948
- The Employment Exchanges (Compulsory Notification of Vacancies) Act 1959
- The Contract Labour [Regulation & Abolition] Act, 1970
- The Maternity Benefit Act, 1961
- Payment of Bonus Act, 1965
- Inter State Migrant Workmen [Regulation of Employment and Conditions of Service] Act, 1979
- The Child Labour (Prohibition & Regulation) Act, 1986
- The Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013
- Bonded Labour System (Abolition) Act, 1976
- Workmen’s compensation Act
- Payment of Gratuity Act
- The Orissa Industrial Employment (standing orders) Central Rules, 1946

3. Exemption of IT/ITES establishments in the State from the applicability of Section 7 of the Odisha Shops and Commercial Establishments Act, 1956

As per Government of Odisha, Labour & ESI Department Notification No. LESI-LL1-III- 0010-2024 – 906, dated the 1st February, 2024, IT/ITeS establishments in

the State are exempt from applicability of Section 7 (hours of work) of the said Act, subject to the following conditions:

- The total number of hours of work including overtime shall not exceed twelve (12) hours in any day.
- The total number of overtime hours worked by an employee shall not exceed one hundred and forty-four (144) during a period of three months.

4. IT declared as Public Utility Services

- State Government has declared IT units as Public Utility Services under the provisions of the Industrial Disputes Act, 1947 to exempt them from the disruption caused by general strikes and bandhs.
- The IT Industries are serving global customers on 24 x 7 x 365 basis. Government shall facilitate granting of permission to work on a 24 x 7 model given the nature of work in IT industry.

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(The Resolution is issued on approval of the State Cabinet in their 25th Meeting on dated 25th August, 2025 as communicated by the Parliamentary Affair Department vide their Memo No. 6599, dated the 26th August, 2025).

The Policy shall be in operation for 5 years or till substituted by another policy from the date of its Gazette Notification. However, the State Government may at any time amend any provision of this Policy.

ORDER:

Ordered that the resolution be published in an Extraordinary issue of the *Odisha Gazette* and copies thereof be forwarded to all departments of Government, all Heads of Departments, all Public Sector Undertakings.

By Order of the Governor
VISHAL KUMAR DEV
Principal Secretary to Government

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